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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510-6350

April 14, 2004

BY VIA FACSIMILE ORIGINAL BY U.S. MAIL

The Honorable Hector V. Barreto Administrator Small Business Administration 409 Third Street, S.W. Washington, D.C. 20416

Re: Women's Business Center Grants for Fiscal Year 2004

Dear Administrator Barreto:

It is our understanding that the Small Business Administration (SBA) recently opened the application period for fiscal year 2004 Women's Business Center (WBC) grants. With SBA's apparent intentions to renew 35 regularly funded women's business center grants, renew 32 of the sustainability center grants, and award 21 new, regularly funded women's business center grants, it is our concern that the agency's most experienced women's business centers will be insufficiently funded.

As you are aware, S. 1375, which passed the Senate in September, would revise the funding scenario for the Women's Business Center program to retain a strong and effective women's business center network, while allowing the Agency the option of opening new centers as funds permit. Under the current formula, 53 sustainability centers in 39 states will be competing for a pool of funds that only provides for 32 full sustainability grants. As a result, many of the most effective and experienced centers that have been the source of business development in their communities and States may be in jeopardy of closing. It is essential that all of the centers currently participating in the WBC program receive fair treatment.

Moreover, in this instance, the SBA has reduced the period of time allowed for the women's business centers to apply for funding. Historically, the SBA has allowed the centers 6 weeks to apply for grants. Therefore, we request that the SBA extend the application deadline to May 20, 2004 for all applicants.

The Honorable Hector V. Barreto Page 2

As we work to resolve the immediate WBC funding formula for fiscal year 2004, we also request that you submit the agency's current plans for funding the new, regular, and sustainability women's business centers, including any performance-based criteria that the Agency intends to use in the award process. Please submit your response by close of business on Monday, April 19, 2004. In addition, as part of your response, we ask that you please provide a detailed timeline of the application review and award process for the regular, sustainability and new women's business centers, along with the expected award date(s).

If you have any questions regarding this request, please contact Jackie Sierodzinski with Senator Snowe, or Marc Comer or Patty Forbes with Senator Kerry at (202) 224-5175 and (202) 224-8496, respectively. Thank you for your prompt attention to this important matter.

Sincerely,

Olympia J. Snowe

Chair

John F. Kerry Ranking Member